

Budget Summary: Article 10

Town Government Departments and Joint Town-CPS Accounts

Article 10 consists of 47 separate appropriation accounts. Once voted, funds cannot be transferred between these accounts except by Town Meeting action. For Guideline purposes, these accounts are grouped into two categories:

- the Town Operating Budget, Items 1-42 recommended at \$16,397,974, equal to the Finance Committee's Guideline;
- the Joint Town-CPS accounts, Items 43-47, recommended at

\$12,387,182, including employee group insurance, the town's annual required payment to the employee (non-teacher) pension fund, and the debt service account.

Item 47, Debt Service, includes \$2,585,182 for principal and interest expense excluded from the levy limit by past votes of the electorate (refer to Excluded Debt, pages 34-35).

Town Government: Items 1-42

The proposed operating budget for

the departments organized under the Town Manager is \$16,397,974. This is an increase of 4.8%. As shown in the accompanying table, it is broken down into two main components: operations, up 4.6% to \$15,041,974; and capital outlay, up 6.7% to \$1,356,000. The total is in accordance with the Budget Guideline established by the Finance Committee.

Article 10 Overview

Article 10 shows only the General

Article 10 - The Proposed Town Government General Fund Budget for the year beginning July 1, 2007

	Budget FY 2007	Proposed FY 2008	percent change
Operations (accounts 1-42)			
General Government	\$1,575,201	\$1,630,713	3.5%
Finance & Admin	1,454,018	1,502,202	3.3%
Police & Fire	6,309,149	6,381,927	1.2%
Public Works	2,474,204	2,508,064	1.4%
Library	1,551,795	1,611,324	3.8%
Reserve Fund	200,000	225,000	12.5%
Salary Reserve	180,951 *	550,000	
Recreation & all other	632,096	632,744	0.1%
subtotal- operations	\$14,377,414	\$15,041,974	4.6%
Capital Outlays	1,271,000	1,356,000	6.7%
TOTAL subject to Guideline	\$15,648,414	\$16,397,974	4.8%
Town and School debt service (account #47):			
repayment within levy limit	2,750,000	2,875,000	4.5%
excluded from levy limit	2,219,677	2,585,182	16.5%
TOTAL	\$4,969,677	\$5,460,182	9.9%
Employee Benefits (Town and CPS):			
Group Insurance (acct. #43A)	3,195,000	3,600,000	12.7%
Retirement (pension funding, acct. #45)	2,310,000	2,380,000	3.0%
Medicare/social security (acct. #46)	508,000	522,000	2.8%
TOTAL	\$6,013,000	\$6,502,000	8.1%
Other Expenses (Town/CPS joint accounts)			
Workers & Unempl. Comp (acct. #44)	200,000	200,000	0.0%
Property & Liability Insr. (acct. #43B)	225,000	225,000	0.0%
TOTAL, Article 10	\$27,056,091	\$28,785,156	6.4%

* NOTE: balance of FY07 salary reserve not yet transferred to operating accounts

Fund portion of each budget account, as this is the portion to be voted by the Town Meeting. Many budget accounts include resources from other funds, typically involving allocations from the Town's enterprise operations (Water, Sewer, Light, Solid Waste) for management services provided. The table on the following pages shows the total budget for each Town department and, in the far right column, the appropriation portion of the account appearing in Article 10.

The Town Manager's Proposed Budget document provides detailed discussion of each account. The Finance Committee has reviewed this document with the Town Manager and has conducted a public hearing on the submitted plan. The Finance Committee has concluded that the sum involved is appropriate and necessary for the tasks and objectives planned.

Highlights of the Proposed Budget are summarized as follows.

Staffing changes

Most departments are being proposed at staffing levels unchanged from the current year. The budget proposal includes three significant staffing changes:

- A staffing increase of 0.75 positions (full-time equivalent, or FTE) in the Inspections Division, as the Building Commissioner continues to address a growing volume of building permits.
- A new full-time position in the Finance Department to assist with the increasing demands of a range of new financial administration tasks as well as

to realign and strengthen the existing collaboration between the Finance Department and the Personnel Offices of the Town and schools in the areas of employee benefits management and payroll administration.

- The addition of four new firefighters, with salaries and benefits being partially paid from a US Department of Homeland Security five-year grant. For FY08, there will be no net cost as savings in overtime are expected. By the fifth year, an additional budget cost of \$123,000 is anticipated. These are the first additions to the Fire department staffing in decades and various beneficial operating impacts are expected to be obtained from this staffing.

Budget Changes:

The principal actions recommended in the budget submitted by the Town Manager in January are reviewed for each appropriation account as follows:

Account number: Account title

1A: Town Manager

In the Town Manager account is \$5,000 for a Youth Program Coordinator. This 250 hour-per-year position will coordinate the Town's youth programs.

1B: Town-wide Building Maintenance

This account was established with the FY05 budget in an effort to establish a central pool of funds with which to monitor building conditions, establish renovation priorities, and fund repairs and improvements. Funded at only \$40,000 in FY05, the funding has

gradually been increased to the recommended level of \$120,000 for FY08. An interdepartmental committee under the direction of the Assistant Town Manager manages the fund. At a future point, this account may support a Facilities Manager staff position.

2: Legal Services

The Legal Services account is proposed to be level funded at \$250,000. The present volume of litigation and advisory work is expected to continue. From FY04 to FY06, actual expenditures averaged just over \$210,000.

3A: Elections

With a Town caucus, a presidential primary, an annual Town election (concurrent with the presidential primary), and two special Town elections (one in the Fall of 2007, and one following the Annual Town Meeting), the elections budget is proposed to be \$36,205 in FY08.

4: Town Meeting and Reports

The budget allows for a one-session Special Town Meeting in November 2007 and a four-session Annual Town Meeting in April 2008.

5A: Planning Division, DPLM

The Planning Division is fully staffed with four employees. One Staff Planner provides support for the Community Preservation Committee and in return the Planning Division receives \$14,827 from the Community Preservation Fund for these administrative services, as specified by statute.

5C: Natural Resources Division, DPLM

This recommended budget pro-

Article 10 - Town Budget

(Budget = all funds; Appropriation = General Fund only)

Item No.	Department	FY07 Budget	FY08 proposed Budget	% Change	FY08 proposed Appropriation
General Government					
1A	Town Manager	\$ 409,641	\$ 413,296	0.9%	\$ 262,835
1C	Town-wide building maintenance	110,000	120,000	9.1%	120,000
2	Legal Services	250,000	250,000	0.0%	250,000
3A	Elections	41,673	36,205	-13.1%	34,597
3B	Registrars	11,884	12,053	1.4%	9,602
4	Town Meeting/Reports	62,390	79,850	28.0%	79,850
5A	Planning	273,241	273,298	0.0%	215,125
5B	Board of Appeals	45,259	40,750	-10.0%	40,750
5C	Natural Resources	203,238	208,547	2.6%	170,037
5E	Inspections	279,578	314,592	12.5%	314,592
5F	Health	265,504	271,574	2.3%	208,662
6	141 Keyes Road Building	62,748	62,163	-0.9%	62,163
		\$ 2,015,156	\$ 2,082,328	3.3%	\$ 1,768,213
Finance and Administration					
7	Finance Committee	\$ 1,275	\$ 1,275	0.0%	\$ 1,275
8	Personnel Admin.	188,567	193,281	2.5%	135,501
9A	Finance Administration	289,609	335,088	15.7%	207,755
9B	Treasurer-Collector	354,118	371,501	4.9%	212,003
9C	Town Accountant	297,367	300,558	1.1%	116,481
9D	Assessors	342,900	347,092	1.2%	347,092
9E	Town Clerk	176,702	177,849	0.6%	177,849
10	Information Systems	308,001	328,570	6.7%	328,570
11	Town House	110,784	110,794	0.0%	95,676
		\$ 2,069,323	\$ 2,166,008	4.7%	\$ 1,622,202
Public Safety					
12	Police Department	\$ 3,362,957	\$ 3,364,035	0.0%	\$ 3,296,412
13	Fire Department	3,037,477	3,189,835	5.0%	3,036,967
14	West Concord Station	60,043	45,433	-24.3%	45,433
15	Police/Fire Station	182,454	249,829	36.9%	249,829
16	Emergency Prep.	8,360	37,160	344.5%	37,160
17	Animal Control	17,116	17,626	3.0%	17,626
		\$ 6,668,407	\$ 6,903,918	3.5%	\$ 6,683,427
Public Works & Facilities					
18	Administration	\$ 261,115	\$ 263,642	1.0%	\$ 138,412
19	Engineering	543,981	574,029	5.5%	328,949
20	Highway Maintenance	1,029,423	1,034,665	0.5%	1,016,005
21	Snow Removal	430,000	444,750	3.4%	444,750
22	Parks and Trees	515,602	549,402	6.6%	516,402
23	Cemetery	255,536	224,789	-12.0%	57,676

Item No.	Department	FY07 Budget	FY08 proposed Budget	% Change	FY08 proposed Appropriation
24	Street Lighting	66,800	70,000	4.8%	69,640
25	DPW Equipment	258,000	265,000	2.7%	265,000
26	Drainage Program	155,000	160,000	3.2%	160,000
27	Sidewalk Management	90,000	90,000	0.0%	90,000
28	133/135 Keyes Road Bldg.	185,919	170,188	-8.5%	95,730
		<u>\$ 3,791,376</u>	<u>\$ 3,846,465</u>	<u>1.5%</u>	<u>\$ 3,182,564</u>
Human Services					
29	Library	\$ 1,580,995	\$ 1,635,324	3.4%	\$ 1,621,324
30	Recreation	512,730	466,876	-8.9%	82,308
31	Hunt Recreation Ctr.	127,952	138,182	8.0%	104,241
32	Swim & Health Center	0	0		0
33	Harvey Wheeler Ctr.	119,899	119,212	-0.6%	119,212
34	Council on Aging	232,659	238,805	2.6%	206,119
35	Veterans Services	38,989	29,440	-24.5%	29,440
36	Ceremonies & Celeb.	22,650	23,850	5.3%	23,850
37	Information Center	29,752	28,074	-5.6%	28,074
		<u>\$ 2,665,626</u>	<u>\$ 2,679,763</u>	<u>0.5%</u>	<u>\$ 2,214,568</u>
Unclassified					
38	Employee Benefits	\$ 62,000	\$ 72,000	16.1%	\$ 72,000
39	Reserve Fund	200,000	225,000	12.5%	225,000
40	Salary Reserve	180,951 *	550,000		550,000
41	Land Fund	0	0		0
42	Road Improvements	1,200,683	800,700	-33.3%	80,000
		<u>\$ 1,643,634</u>	<u>\$ 1,647,700</u>	<u>0.2%</u>	<u>\$ 927,000</u>
* balance of original approp. of \$550,000 not yet transferred as of 3/31/07 to other accounts					
subtotal, accts 1-42		<u>\$ 18,853,522</u>	<u>\$ 19,326,182</u>	<u>2.5%</u>	<u>\$ 16,397,974</u>
Joint (Town-CPS)					
43A	Group Insurance	\$ 3,482,000	\$ 3,912,000	12.3%	\$ 3,600,000
43B	Property & Liability	375,000	375,000	0.0%	225,000
44	Unempl/ Workers Comp	200,000	200,000	0.0%	200,000
45	Retirement	2,648,100	2,689,391	1.6%	2,380,000
46	Social Security & Medicare	612,000	658,500	7.6%	522,000
47	Debt Service - within limit	2,750,000	2,875,000	4.5%	2,875,000
	Debt Service - debt exclusion	2,234,673	2,586,528	15.7%	2,585,182
		<u>\$ 12,301,773</u>	<u>\$ 13,296,419</u>	<u>8.1%</u>	<u>\$ 12,387,182</u>
Total		<u>\$31,155,295</u>	<u>\$32,622,601</u>	<u>4.7%</u>	<u>\$28,785,156</u>

vides for increased funding for two part-time rangers who will work from May to October to assist with conservation land management and natural resources education. The FY08 funding is proposed to be \$15,000, which will allow for 382 additional hours of work funded by the Town. In addition, an amount of \$7,500 for pond management, which includes aquatic invasive plant removal, is allocated in the FY08 budget.

5D: Building Inspections Division, DPLM

In FY07, the Building Inspections Division had a record-setting year in terms of number of permits issued and revenue raised from fees. Accordingly, to be able to handle this expanded workload, the Division is proposing to reclassify the Assistant Local Inspector from a part-time to full-time position and add 261 hours per year to both the Plumbing and Gas Inspector and the Electrical Inspector positions.

5E: Health Division, DPLM

Due to the public health concern relating to the spread of Eastern Equine Encephalitis (EEE), the budget for mosquito control has been increased from \$15,000 in FY07 to \$20,000 in FY08. This funding will go toward providing surveillance of adult mosquitoes, treatment of catch basins with larvacide, treatment of mosquito habitats with larvacide, and monitoring of infected birds.

9A: Finance Administration Division, Finance Department

As a result of the growing scope and complexity of tax collection and benefits management, the Finance Administration Division is

proposing the creation of a new position, Management Assistant. This position will assist the department in complying with new State and local regulations. In addition, the Management Assistant will participate in payroll management.

9D: Assessing Division, Finance Department

Every three years, the State certifies that the Town has assessed its real property at full and fair market value. The triennial revaluation is in calendar year 2007, which includes the first half of FY08. To assist with this process, the Assessing Division is continuing to request an annual amount of \$100,000 for outside consultants to assist with data collection and analysis. The major portion of this funding is to provide for an ongoing accelerated interior property inspection program.

10: Information Systems

The Technology Fund allocation is increased to \$110,000, in accordance with the Capital Plan for FY08-12. This account has proven to be crucial in maintaining current technology throughout the Town departments as well as supporting the basic network infrastructure linking all town buildings and linking more than 200 desktops to the web in a secure and reliable system. The Technology Administrator and the Finance Director jointly manage this fund.

12: Police Department

The budget for the Police Department includes \$81,000 for the replacement of three police cruisers, \$13,000 for public safety equipment, and \$7,000 to upgrade radios.

13: Fire Department

Over the past decade, the Fire Department overtime budget has grown to almost half a million dollars. When a firefighter is absent from work, another firefighter is called back on an overtime basis to fill the vacancy. To reduce overtime costs and provide for a more effective operation, the Fire Department is proposing the hiring of four additional firefighters, one for each of the four groups. With this proposal, when a firefighter is absent, the new hire will cover the absent position. The salary and benefits costs of these new firefighters will be partially paid for by a \$414,000 five-year Staffing for Adequate Fire and Emergency Response (SAFER) Grant awarded by the U.S. Department of Homeland Security. Savings from reduced overtime will also contribute to covering some of the costs.

14: West Concord Fire Station

The Capital Outlay amount of \$12,800 is proposed for the replacement of the overhead doors for the apparatus bays. The new doors will have improved insulation and will reflect the classic design elements of the Fire Station.

15: Police and Fire Station

\$40,500 is proposed for re-shingling the roof at the public safety building. The current roof was installed in 1985 and the existing 20-year shingles are past their life expectancy. The budget also includes \$15,000 to upgrade the emergency telephone call/radio transmission logger in the dispatch center.

16: Emergency Management

In an effort to improve preparedness for possible emergency events, the Concord Emergency Management Agency (CEMA) through its director, the Town's fire chief, has requested that the following additional funds be included in the FY08 budget. First, an amount of \$10,000 is requested to fund a preparedness planner who will assist in updating the Town's Comprehensive Emergency Management Plan. Second, there is \$5,000 to fund a study to look into the emergency power needs of all Town-owned buildings. Finally, to provide the Town with immediate emergency power generation capacity, a request of \$15,000 is being made for the acquisition of a used mobile emergency generator that can be used at the various Town-owned buildings.

19: Engineering

In accordance with the FY08-12 Capital Outlay Plan, this budget includes \$60,000 in FY08 for GIS software improvements and mapping capability enhancements. This is the third year of a three-year plan to further develop the GIS system capabilities and applications. In addition, \$20,000 is proposed for traffic control devices.

20: Highway Maintenance

For FY08, \$49,800 is being recommended to crack-seal 20 miles of roadway, approximately one-fifth of the Town's inventory. Because of the improved conditions of the Town's roads, this is nearly \$10,000 less than the request in FY05 to cover the same mileage.

21: Snow Removal

The snow removal budget is proposed to be funded at a level of \$444,750. This is about equal to the goal of \$447,566, which is the average annual expense (net of federal and State emergency aid) calculated over a 10-year period.

22: Parks and Trees

This budget proposes the funding of two important programs: public shade trees at \$20,000 and turf improvements at \$30,000.

23: Cemetery

The Cemetery Fund supports the major portion of operating expenses. The proposed budget keeps the General Fund allocation essentially unchanged at 35% of operations. Capital improvements are funded from the Cemetery Fund.

24: Street Lights

Due to the elimination of several hundred street lights, the FY08 proposed budget of \$70,000 is about \$20,000 below the amount spent in FY03.

25: Public Works Equipment

This proposed budget of \$265,000 funds the Town's well-planned schedule of equipment replacement. The funding level is \$65,000 more than FY04, a year in which budgets were tight due to cuts in State aid.

26: Drainage

Past culvert failures at Heywood Street and Westford Road emphasize the importance of maintaining infrastructure that is otherwise out of sight. A major initiative to address this issue of properly maintaining drainage systems began in the FY06 budget, when funding was increased from

\$75,000 in FY05 to \$140,000 in FY06. The FY08 budget seeks to continue this program at a level of \$160,000 (\$70,000 to provide major culvert repairs and \$90,000 to improve drainage systems). The FY08-12 CIP gradually increases this budget to \$205,000 annually.

27: Sidewalk Management

The recommendation for FY08 is to maintain the amount for sidewalk maintenance at \$90,000 annually. Due to budget constraints, the FY08 budget provides no funding for sidewalk extensions.

29: Library

In the spring of 2005, renovations to the Concord Free Public Library were completed. Although the Town committed \$400,000 to the renovation for interior furnishings, the great majority of the funding (\$7.5 million) was provided by private donations. The Town covers the Library's operational costs and for FY08 the budget for these costs is proposed to be just over \$1.6 million.

31: Hunt Recreation Center

An amount of \$25,000 is proposed for replastering the Emerson Field pool.

32: Beede Swim and Fitness Center

In March 2006, the Beede Swim & Fitness Center opened its doors. To have a mechanism to better manage the Center's finances, the 2005 Annual Town Meeting created an enterprise fund, similar to the Concord Municipal Light Plant, in which fees cover expenditures. Accordingly, operational details for the Beede Center are now found in the Town Manager's Enterprise Budget Book. No

General Fund support is provided to this operation in the FY07 or the proposed FY08 budget. Rather, the Swim and Fitness Enterprise will begin in FY07 to pay back the General Fund appropriation of \$100,000 made in the FY06 budget for start-up costs.

38: Town Employee Benefits

The proposal is to increase the line item to cover unused sick leave payoff at retirement by \$10,000 to a level of \$60,000, due to the potential liability caused by the aging of employees who are qualified for this program. This payment is restricted to non-union employees hired prior to July 1, 1992 and to uniformed police and fire personnel subject to the collective bargaining agreements. In all eligible cases, the benefit is capped at 62 days (65 for firefighters).

39: Reserve Fund

As all appropriation accounts remain tight, it is important to keep the Reserve Fund appropriation at a sufficient level, even though in most years the Reserve Fund has been sparsely used. For FY08, an amount of \$225,000 is recommended, an increase of \$25,000 from FY07. It should be noted that due to volatile energy prices, transfers from the Reserve Fund might need to be made during FY07 to cover higher than expected costs for natural gas, gasoline, and diesel fuel.

40: Salary Reserve

The allocation in this account provides for the funding of collective bargaining agreements as well as the provision for a 3.0% adjustment to the salary schedules applicable to non-union employees

effective July 1, 2007. Also, the recommendation supports a 2.75% step increase for those non-union staff eligible, who make up about two-thirds of all employees. Transfers from this account to the individual departmental operating accounts are reported to the Finance Committee and Board of Selectmen in accordance with the vote of Town Meeting adopting the budget article.

42: Road Improvements

For the current year, the State's Chapter 90 funding has increased but is still at a level lower than had prevailed through the second half of the 1990s. Despite this reduced funding from the State, the Town has been able to maintain a sound and effective annual funding level. The FY08-12 CIP proposes a 2007 debt authorization for road improvement of \$300,000. In the past several years, the borrowing amount has been \$700,000. For FY08, the difference of \$400,000 is being retargeted for the rehabilitation of Warner's Pond Dam. Together with State funds and other appropriated funds, the FY08 road improvement funding will be \$800,700.

43A: Group Insurance

Group insurance costs continue to increase. The budget anticipates a 13.4% increase in FY08 group insurance costs. The Town is totally self-insured for active employee health coverage, as part of the 16-member Minuteman Nashoba Health Group. Thus, the cost increase directly reflects actual claims experience. The recommended budget for FY08 is

72% (or \$1.5 million) higher than actual expenditures in FY03 (just a 5-year interval). Yet the Town's plan rates remain comparatively favorable. The dramatic escalation of health insurance costs has been a nation-wide phenomenon. The Town pays about 55% of active employee costs (62% of individual plan costs and 53% of family plan costs, on average), and 50% of retiree costs. State law sets a 50% floor for the municipal share of active employee cost. The Town electorate voted retiree coverage in 1960, and there is no provision in the State law to reverse such a vote.

44: Unemployment & Workers Compensation

An amount of \$100,000 is allocated for the Unemployment Compensation account. The Town pays only for actual claimants, not as a percent of payroll, because the minimum available "experience rating" percentage would be far in excess of the Town's actual historical costs.

45: Retirement

This budget is based upon a funding plan required by State law to be updated biennially. The most recent actuarial valuation of the system, for January 1, 2006, reported the system's funding level to be 90.5%. This places Concord 8th highest out of the 106 Massachusetts public employee systems. The proposed appropriation covers all regular employees of the Town and the Concord Public Schools, except teachers, who work at least 25 hours per week in a permanent

Capital Outlay by Account - Town Government Budget, Article 10

Capital outlay - the investment in vehicles, equipment, buildings and various public infrastructure items financed from current revenue, not by the issuance of new debt - is a significant annual component of the Town Government budget. Differences in allocations from one year to the next account for much of the difference in the appropriation by account. This table highlights the differences between the FY07 adopted budget and the FY08 proposed budget, and identifies the main spending purposes for FY08.

Acct #	Title	Budget FY07	Proposed FY08	\$ Change	FY08 Items
1A	Town Manager	\$ 5,000	\$ 5,000	\$ 0	ADA improvements
1B	Townwide Building Maintenance	110,000	120,000	10,000	Maintenance of town buildings
5C	Natural Resources	7,500	7,500	0	Pond management
6	141 Keyes Road	5,000	5,000	0	Routine building repairs
10	Information Systems	105,000	110,000	5,000	Technology fund
11	Town House	10,000	10,000	0	Routine building repairs
12	Police Department	118,000	101,000	(17,000)	vehicle & routine equipment replacements
13	Fire Department	134,000	107,200	(26,800)	call boxes, car #2, routine equip. replace
14	West Concord Fire Station	27,000	12,800	(14,200)	interior and exterior renovations
15	Police/Fire Station	10,000	65,500	55,500	Roof repairs, emergency call logger
16	Emergency Management	0	15,000	15,000	Emergency generator installed on skids
19	Engineering	60,000	82,500	22,500	GIS mapping, traffic control devices
20	Highway Maintenance	21,000	17,000	(4,000)	Guardrail replacement, routine equipment
22	Parks & Trees	23,000	55,000	32,000	Tree replacement, turf improvements
25	CPW Equipment	258,000	265,000	7,000	Public Works major equipment replacement
26	Drainage Program	155,000	160,000	5,000	Drainage & culvert repairs
27	Sidewalk Management	90,000	90,000	0	Sidewalk repairs
28	133/135 Keyes Road	35,000	5,000	(30,000)	Routine building repairs
29	Library	10,000	10,000	0	Computer equipment replacement
31	Recreation	0	25,000	25,000	Replaster wading pool @ Hunt Gym
33	Harvey Wheeler Community Ctr.	5,000	5,000	0	Routine building repairs
37	Visitors Center Restroom	2,500	2,500	0	Routine building repairs
43	Road Improvements	80,000	80,000	0	Road project engineering
TOTAL		\$ 1,271,000	\$ 1,356,000	\$ 85,000	

position. The Plan operates under State law that sets a uniform defined benefit structure for all covered state and local government non-teaching employees. Teachers are covered in the State Teachers Retirement System, the cost of which is paid entirely from the state budget.

47: Debt Service

This budget is up \$490,000 from the current year, of which about \$365,000 is for principal and interest repayment on debt voted to be excluded from the levy limit. Most of this cost is for the bond issuances for the new Alcott and Thoreau schools. See the section on Excluded Debt in this report.

Alcott School debt service cost in FY08 is budgeted at \$830,577. A \$7 million 20-year bond was issued September 2004 at an interest rate of 3.7%. A \$2.35 million 15-year bond was issued March 2007 at an interest rate of 3.89%. The balance of the Alcott project cost, about \$7.2 million, was received as a State grant in September 2006.

Thoreau School debt service cost in FY08 is budgeted at \$1,313,810. A \$10 million 18-year bond was issued September 2006 at an interest rate of 3.86%. Short-term notes of \$6.8 million are outstanding.

Recommendation

The Finance Committee unanimously recommends affirmative action on Article 10.